**FILED** House Insurance and Banking Subcommittee Am. #1 Amendment/No. Comm. Amdt.

Signature of Sponsor

AMEND Senate Bill No. 545

House Bill No. 273\*

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 56-2-126(b), is amended by designating the existing language as subdivision (1) and adding the following new subdivision (2):

- (A) For the purposes of this section, "service contract" also means a contract or agreement that provides one (1) or more of the following:
  - (i) The repair or replacement of tires or wheels on a motor vehicle damaged as a result of coming into contact with road hazards;
  - (ii) The removal of dents, dings, or creases on a motor vehicle that can be repaired using the process of paintless dent removal without affecting the existing paint finish and without replacing vehicle body panels, sanding, bonding, or painting;
  - (iii) The repair of chips or cracks in, or the replacement of, motor vehicle windshields as a result of damage caused by road hazards; or
  - (Iv) The replacement of a motor vehicle key or key-fob in the event that the key or key-fob becomes inoperable or is lost or stolen.
- (B) For purposes of subdivision (b)(2)(A), "road hazard" means a hazard that is encountered while driving a motor vehicle, which may include potholes, rocks, wood debris, metal parts, glass, plastic, curbs, or composite scraps.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring

it.





House Insurance and Banking Subcommittee Am. #1

Amendment No.

Signature of Sponsor

FILED	
Date	
Time	
Clerk	
Comm. Amdt.	

AMEND Senate Bill No. 437\*

House Bill No. 498

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 56-7-3302, is amended by deleting the section and substituting instead the following:

(a)

- (1) A health insurance entity shall provide notice to a healthcare provider of any material change made in the sole discretion of the insurance entity to the entity's previously released provider manual or a reimbursement rule and policy at least sixty (60) days prior to the effective date of the change, and the health insurance entity shall ensure that any such material change is clearly identified in the following manner:
  - (A) Disclosing or identifying the change in the provider manual through the use of bold print or a font, or both, with the bold print or font being the same or larger size as the font generally used throughout the policy or manual; and
  - (B) Disclosing or identifying the change in the reimbursement rules and policies and the effective date of the change through the use of a separately categorized communication to the provider.
- (2) Any disclosures required under this subsection (a) may be distributed by either:





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- (A) An internet web-accessible section associated with a webaccessible current version of the provider manual or reimbursement rules and policies; or
- (B) Written communication sent to a dedicated email address or as stipulated in the contract between the provider and the health insurance entity. The provider shall submit to the health insurance entity a dedicated email address to receive the disclosures required by this subsection (a).
- (b) Notwithstanding any law to the contrary, nothing in this part shall apply to the TennCare program or any successor Medicaid program provided for in title 71, chapter 5; the CoverKids Act of 2006, compiled in title 71, chapter 3, part 11; the Access Tennessee Act of 2006, compiled in title 56, chapter 7, part 29; any other plan managed by the health care finance administration division of the department of finance and administration or any successor division or department; or the group insurance plans offered under title 8, chapter 27; or a contract between a healthcare provider and the state or federal government or their agencies for health services provided through Medicare.

SECTION 2. Tennessee Code Annotated, Section 56-7-1013(a), is amended by designating the existing language as subdivision (1) and adding the following new subdivision (2):

(2) "Fee schedule" means a list of reimbursement amounts assigned to specific codes and used by a health insurance carrier pursuant to a contract between a health insurance carrier and a healthcare provider to calculate payments paid to the provider for therapies, procedures, materials, and other services delivered to enrollees.

SECTION 3. Tennessee Code Annotated, Section 56-7-1013, is amended by deleting subsection (c) and substituting instead the following:

- (1) Except as otherwise provided in subdivision (g)(2), a health insurance carrier shall provide notice of and identify any change to a provider's fee schedule and the effective date of the change at least ninety (90) days prior to the effective date of the change. The notice and identification required by this subdivision (c)(1) shall be sent to a dedicated email address or as otherwise stipulated in the contract between the provider and the health insurance carrier. The provider shall submit to the health insurance carrier a dedicated email address to receive the disclosures required by this part.
- (2) A health insurance carrier shall not require any hospital, by contract, reimbursement or otherwise, to notify the health insurance carrier of a hospital inpatient admission within less than one (1) business day of the hospital inpatient admission if the notification or admission occurs on a weekend or federal holiday. Nothing in this subsection (c) shall affect the applicability or administration of other provisions of a contract between a hospital and health insurance carrier, including, without limitation, preauthorization requirements for scheduled inpatient admissions.
- (3) This subsection (c) shall not apply to changes in standard codes and guidelines developed by the American Medical Association or a similar organization.

SECTION 4. Tennessee Code Annotated, Section 56-7-1013, is amended by adding the following new subsections:

- (f) A health insurance carrier shall:
- (1) Within ten (10) business days of receipt of a written request from a provider, deliver to the provider at the provider's dedicated email address that provider's fee schedule, free of charge, in either a partial or full version as requested by the provider, in a transferable industry standard spreadsheet, including Microsoft Excel or other comparable format; or

(2) Provide access to the provider's fee schedule on a secure website, so that the provider may access the fee schedule at any time throughout the term of the provider's contract with the health insurance carrier. Nothing in this subdivision (f)(2) requires a health insurance carrier to provide a fee schedule through or on a website.

(g)

- (1) Except as otherwise provided in subdivision (g)(2), no health insurance carrier shall make a change or changes to a provider's fee schedule except as follows:
  - (A) Up to one (1) time during a consecutive twelve-month period.

    After a health insurance carrier makes a change or changes to the provider's fee schedule, it is prohibited from doing so again for at least twelve (12) months following the effective date of the change or changes; or
  - (B) If a health insurance carrier and a hospital agree to the change or changes in writing.
- (2) Subdivisions (c)(1) and (g)(1) do not apply to the following changes to a fee schedule:
  - (A) Any change in a provider's fee schedule due to a change effected by the federal or state government to its healthcare fee schedule, if the provider and health insurance carrier have previously agreed that the provider's fee schedule is based on a percentage or some other formula of a current government healthcare fee schedule, such as Medicare;
  - (B) Any change in a provider's reimbursement for drugs, immunizations, injectables, supplies, or devices if the provider and health insurance carrier or pharmacy benefits manager as defined by § 56-7-

3102 have previously agreed that any reimbursement for drugs, immunizations, injectables, supplies, or devices will be based on a percentage, or some other formula, of a price index not established by the health insurance carrier, such as the average wholesale price or average sales price;

- (C) Any changes in the provider's reimbursement for drugs, immunizations, injectables, supplies, or devices if the provider and the health insurance carrier or pharmacy benefits manager as defined in § 56-7-3102 have previously agreed to any reimbursement for drugs, immunizations, injectables, supplies, or devices in accordance with § 56-7-3104 and based upon maximum allowable cost pricing as regulated by §§ 56-7-3101 and 56-7-3106;
- (D) Any change to Current Procedural Terminology (CPT) codes,
  Healthcare Common Procedure Coding System (HCPCS) codes,
  International Statistical Classification of Disease and Related Health
  Problems (ICD) Codes, or other coding sets recognized or used by
  Centers for Medicare and Medicaid Services (CMS) that a health
  insurance carrier utilized in creating a provider's fee schedule;
- (E) Any change to revenue codes as established by the National Uniform Billing Committee (NUBC);
- (F) Any changes in a provider's fee schedule due to one (1) or more of the following if previously agreed to in a provider's agreement with a health insurance carrier:
  - (i) Payments made to the healthcare provider by the health insurance carrier or payments made to the health insurance carrier by the provider that are based on values or quality measures explicitly described in the written agreement between

the provider and the health insurance carrier intended to improve care provided to the health insurance carrier's members;

- (ii) Escalator or de-escalator clauses;
- (iii) Provisions that require adjustments to payment due to population health management performance or results; or
- (iv) Any arrangements, initiatives, or value-based payments relating to or resulting from the implementation or operation of the Tennessee Health Care Innovation Initiative or any successor state program applicable to provider agreements covered by this section.
- (h) Notwithstanding any law to the contrary, including other provisions of this section, nothing in this section applies to:
  - (1) An enrollee's benefit package, or coverage terms and conditions, unrelated to application of fee schedules and reimbursements, including, but not limited to, provisions regarding eligibility for coverage, deductibles and copayments, coordination of benefits, and coverage limitations and exclusions;
  - (2) An entity that is subject to delinquency proceedings and for which the commissioner of commerce and insurance has been appointed receiver, or an entity placed under administrative supervision by order of the commissioner pursuant to the Insurers Rehabilitation and Liquidation Act, compiled in chapter 9 of this title;
  - (3) A contract amendment that is made due to a change in federal or state law;
  - (4) A contract between a health insurance carrier and a healthcare provider for items or services to be provided for individuals covered by any Medicare Advantage, Medicare Select, Medicare Supplement, Medicare and Medicaid Enrollees (MME), Medicare Dual Special Needs, and Medicare Private

Fee for Service; or the state, local government, and local education insurance plans established under title 8, chapter 27; or

(5) The TennCare program or any successor Medicaid program provided for in title 71, chapter 5; the CoverKids Act of 2006, compiled in title 71, chapter 3, part 11; the Access Tennessee Act of 2006, compiled in title 56, chapter 7, part 29; any other plan managed by the health care finance administration division of the department of finance and administration or any successor division or department; or the group insurance plans offered under title 8, chapter 27.

SECTION 5. This act shall take effect January 1, 2019, the public welfare requiring it, and shall apply to all contracts existing on that date and to all contracts entered into or renewed after that date.

House Insurance and Banking Subcommittee Am. #1

Amendment No.

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**FILED** 

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AMEND Senate Bill No. 118\*

House Bill No. 69

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 71, Chapter 5, Part 1, is amended by adding the following new section to be appropriately designated:

Notwithstanding any provision of this part to the contrary, the commissioner of finance and administration is directed to submit to the federal centers for medicare and medicaid services, if the commissioner determines it is in the best interest of the state, a waiver amendment to the existing TennCare II waiver or to submit a new waiver in order to provide medical assistance to the TennCare II waiver population and to secure medical assistance eligibility in this state to persons meeting federal eligibility guidelines by means of a block or per capita grant, utilizing a change in applicable federal law, or other approach utilizing regulatory flexibility provided by the federal government within one hundred eighty (180) days of the effective date of this section, and, if approved, implement the waiver amendment or waiver. If the waiver is by means of a block or per capita grant, the grant authorized by this section shall convert the federal share of all medical assistance funding for this state into an allotment that is tailored to meet the needs of this state.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring

it.

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House Insurance and Banking Subcommittee Am. #1

Amendment No.

Signature of Sponsor

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Date		
Time .		
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AMEND Senate Bill No. 704\*

House Bill No. 879

by deleting the period in 71-5-2802(4) in Section 1 and substituting a semicolon.

**AND FURTHER AMEND** by deleting the language "twenty thousand dollars (\$20,000)" in 71-5-2804(d)(1) in Section 1 and substituting the language "seventy-five thousand dollars (\$75,000)". **AND FURTHER AMEND** by deleting the word "division" wherever it appears in 71-5-2807 in Section 1 and substituting the word "bureau".

**AND FURTHER AMEND** by deleting the word "act" in 71-5-2809 in Section 1 and substituting the word "part".





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